



MIT Theft Fraud and Corrupt Conduct Policy and Procedure

1. Purpose

The purpose of this policy and procedure is to define theft, fraud and corrupt conduct, establish the responsibilities of the Institute, its staff and students, and set out the processes for identifying, preventing, reporting and investigating theft, fraud and corrupt conduct.

2. Scope

This policy and procedure applies to all staff and students of the Institute at all MIT campuses and to all activities under the control of the Institute.

3. Definitions

Term	Definition
Corrupt conduct	<p>Includes, but is not limited to:</p> <ul style="list-style-type: none">• the misuse or abuse of bestowed power or position to acquire a personal benefit, in a way that is not honest or is not impartial;• the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;• misuse of the Institute information or materials;• misappropriation of the Institute assets;• breach of trust by an Institute employee or officer;• the use of improper means (such as bribery or kickbacks) to induce another person to act or to refrain from acting in the exercise of his or her duties, in order to obtain or retain business, or to obtain an undue advantage;• falsification of documents.
detrimental action	Means action taken against an individual as reprisal for making a disclosure of theft, fraud or corrupt conduct.
fraud	Means deceitful or intentionally dishonest conduct, with the objective to gain property or financial advantage. Defrauding people of money is the most common type of fraud.
Group General Manager	Means the person holding the position of Group General Manager within the Institute.

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Term	Definition
Institute Secretary	Means the person holding the position of Secretary of the Board of Directors within the Institute.
Senior officer	Includes the CEO and members of the Executive Management Team
Suspected theft,	Refers to cases where an individual suspects that an act of theft,
fraud or corrupt conduct	fraud or corrupt conduct may be about to occur, is occurring or has occurred.
Theft	The unauthorised appropriation of the Institute's property with intent to permanently deprive the Institute of it.

4. Policy Statement

4.1. Prevention

The Institute is committed to preventing the incidence of theft, fraud and corrupt conduct. It will achieve this through risk management strategies and internal controls, which aim to:

- minimise the opportunities for, prevent and deter, potential theft, fraud and corrupt conduct; and
- establish timely reporting and investigation processes to deal quickly with suspected theft, fraud or corrupt conduct.

4.2 Staff Responsibility

Institute staff should demonstrate integrity and honesty in their dealings with colleagues, students and members of the wider community, as detailed in the MIT Staff Code of Conduct. In particular staff should not engage in any action that could constitute an instance of theft, fraud and corrupt conduct. Such instances include, but are not limited to:

- financial misuse whereby an Institute staff member takes an inducement; uses petty cash or an Institute purchasing card for an unauthorised purpose; and/or engages in theft of Institute revenue or assets;
- misuse of human resource entitlements relating to leave, paid Institute travel benefits and/or reimbursement;
- falsification of documents relating to qualifications, time sheets, taxation arrangements, purchase orders, student admission, student results, and/or disposal of Institute assets.

4.3 Student Responsibility

Students have a responsibility to be honest, trustworthy and work diligently, as detailed

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in the MIT Student Charter. Students should not engage in any action that could constitute an Instance of theft, fraud and corrupt conduct. Failure to comply with this policy and procedure will result in disciplinary action being taken under the Student General Misconduct Policy and Procedure.

4.4 Fraud detection

- 4.4.1 The Group General Manager will ensure that the financial officers analyse the compliance and accuracy of all transactions that the Institute tender process is followed, and that pre-payroll and post-payroll reviews are completed regularly to identify

payments, which may be inaccurate and/or unauthorised.

- 4.4.2 Heads of departments will ensure that staff with financial responsibilities analyse transactions coming before them for approval for the following:

- validity;
- accuracy;
- invoice coding;
- invoices addressed to the Institute; and
- goods and services tax (GST) calculations.

4.5 Fraud control

- 4.5.1 The annual audit plan of the Board of Directors Audit and Risk Committee will include specific audits of areas within the Institute where there may be a higher predisposition to theft, fraud and corrupt conduct.

- 4.5.2 The Institute's External Auditor will consider fraud risks during the annual audit of Institute financial accounts.

5. Procedure

Reporting and Investigation

- 5.1. Reporting and investigation of theft, fraud or corrupt conduct will be dealt with in accordance with the process detailed in this section and summarised in section 5.11.
- 5.2. A staff member, student or senior officer of the Institute who suspects that an act of theft, fraud or corrupt conduct may be about to occur, is occurring or has occurred must report such suspicions to their head of department, or the Group General Manager.
- 5.3. On receiving a report of suspected theft, fraud or corrupt conduct the head of department will:
- record the time and date the report is made and details of all matters reported;
 - and

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- refer the report (including anonymous reports where there is adequate supporting information) to the Group General Manager, immediately and prior to any investigation of such allegations being undertaken.
- 5.4. Where a report of suspected theft, fraud or corrupt conduct is made and involves:
- a) the Group General Manager, then the head of department will refer the report to the Chair of the Board of Directors, via the Institute Secretary and the Chair of the Audit and Risk Committee; or
 - b) a senior officer of the Institute other than the Group General Manager, the Group General Manager will refer the report to the Chair of the Board of Directors, via the Institute Secretary and the Chair of the Audit and Risk Committee. The Board of Directors will determine and implement an appropriate process for investigation.
- 5.5 Any individual (who is not a staff member or student of the Institute) may make a complaint about corrupt conduct or detrimental action by the Institute, its staff, students or officers to the Institute Secretary. The Institute Secretary will investigate the complaint in accordance with the process contained in section 5.11 (the necessary substitution of “Group General Manager” responsibility for “Institute Secretary”, being made).
- 5.6. The Group General Manager, will assess whether a report of suspected theft, fraud or corrupt conduct warrants an investigation.
- 5.8 Where an investigation of allegations relating to theft, fraud or corrupt conduct by a staff member or students is required, the Group General Manager will appoint investigation officers and provide them with terms of reference.
- 5.9 Where an external supplier of goods and services to the Institute is involved in suspected theft, fraud or corrupt conduct, the Group General Manager will notify departments who have engaged the external supplier, and other relevant areas of the Institute, of the investigation.
- 5.10 At the conclusion of an investigation, the Group General Manager may:
- take no further action;
 - refer the matter to Institute Secretary to pursue through legal options; or
 - report the theft, fraud or corrupt conduct to police for further action where evidence of theft or fraud is found to be of a serious nature and a prima facie case has been established.

The Group General Manager will provide a copy of the findings of his/her investigation, together with any further action, to the Institute Secretary for attention of the Board of Directors at its next meeting.

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5.11 Process table-

Reporting	Responsibility	Timeline
a) A staff member or student who suspects that an act of theft, fraud or corrupt conduct may be about to occur, is occurring or has occurred must report such suspicions to their head of department.	Staff member or student	Immediately
b) The head of department records the time, date and details of the report and forwards report to the Group General Manager, unless the report involves the Group General Manager in which case the report is sent to the Chair of the Board of Directors via the Chair of the Audit and Risk Committee. Where the report involves a senior officer other than the Group General Manager, the Group General Manager sends the report to the Chair of the Board of Directors via the Chair of the Audit and Risk Committee. The Board of Directors will determine and implement an appropriate process for investigation.	Head of department Group General Manager Board of Directors	As soon as possible
c) Any individual who is not a staff member or student may make a complaint about corrupt conduct or detrimental action by the Institute, its staff or officers to the Institute Secretary.	Institute Secretary	As soon as possible
Investigation		
d) Assess whether a report of suspected theft, fraud or corrupt conduct warrants an investigation.	Group General Manager	Within 7 days
e) Appoint investigation officers to investigate allegations relating to theft and provide terms of reference.	Group General Manager	Within 7 days
f) On receipt of the findings from the investigation officers, determine to- take no further action; refer the matter to Institute Secretary to pursue through legal options; or report the theft, fraud or corrupt conduct to police for further action where evidence of theft or fraud is found to be of a serious nature and a prima facie case has been established. Forward the findings and subsequent actions to the Institute Secretary for attention of the Board of Directors.	Group General Manager	Within 7 days of receipt of the investigator findings

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- 5.12 A staff member or student who is involved in or becomes aware of a theft, fraud, or corrupt conduct investigation will keep the details and results of the investigation confidential, subject to the needs of the Institute, the Group General Manager, the investigators and the police during their investigation.
- 5.13 Staff and students will not discuss or report any suspected or proven instance of theft, fraud or corrupt conduct to the media, except with the prior written approval of the CEO.
- 5.14 Where the Group General Manager determines that an allegation is a deliberate false allegation of theft, fraud or corrupt conduct, the staff member or student who made the allegation will be dealt with in accordance with the MIT Employee Manual disciplinary or termination processes in the case of a staff member or the Student General Misconduct Policy and Procedure if a student.
- 5.15 Where the Group General Manager determines that a staff member or student has been subject to detrimental action, any staff member(s) or student(s) found to be responsible will be dealt with in accordance with the MIT Employee Manual disciplinary or termination processes in the case of a staff member or the Student General Misconduct Policy and Procedure if a student.

6. Responsibilities

6.1 The Institute-

The Institute will develop policies and procedures that include internal controls designed to prevent theft, fraud and corrupt conduct. These will include: financial delegations, lines of authority and accountabilities, segregation of duties, approval processes, employee checks, conflict of interest declarations, gift acceptance provisions, etc.

The Institute will have in place a current management liability insurance policy and will cover the Institute for the risk of loss incurred from theft, fraudulent or corrupt activity and externally instigated fraud.

6.2 Senior Officers-

Senior Officers will ensure that theft, fraud and corrupt conduct risks are identified, assessed, mitigated and reviewed in accordance with MIT Risk Management Policy and Procedures.

Senior officers responsible for engaging external contractors/suppliers will establish that the contractors/suppliers are financially sustainable individuals or businesses before engaging their services.

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The Group General Manager-

The Group General Manager will review internal controls relating to cases of theft, fraud and corrupt conduct.

The Group General Manager will follow-up with management responsible for the area where the theft, fraud or corrupt conduct occurred to ensure that recommendations have been implemented within appropriate timelines.

The Group General Manager will promote the Staff Code of Conduct Policy so that all staff are aware of their responsibilities to prevent and report on theft, fraud and corrupt conduct.

The Group General Manager will report annually to the Audit and Risk Committee on how theft, fraud and corrupt conduct risks are being managed throughout the Institute.

Supervisors-

Supervisors will ensure that staff involved in making financial decisions, staff appointments and/or in managing contracts are aware of and comply with the Staff Code of Conduct Policy.

7. Implementation and communication

The Institute's website will inform individuals who are not staff or students of the Institute how to submit a complaint regarding corrupt conduct, detrimental action or any other or misconduct by the Institute, its staff or officers.

This policy and procedure will be implemented and communicated through the Institute via:

- Announcement on the Institute's webpage;
- Internal circulation to staff;
- Staff professional development.

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Supporting Documents and References

Government legislation:

Victorian Crimes Act 1958

Institute documents:

MIT Policies and Procedures

Staff Code of Conduct Policy

MIT Employee Manual

Delegations Policy

Purchasing Procedures and Thresholds

Revenue Collection Procedures

MIT Risk Management Policy and Procedure

Student Charter

Student General Misconduct Policy and Procedure

Academic Integrity Policy and Procedure

Admissions Policy and Procedure

Other:

Australian Universities policies and procedures

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